

Honduras - Agricultural Public Goods Grant Facility

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Overview

Identification

COUNTRY

Honduras

EVALUATION TITLE

Agricultural Public Goods Grant Facility

EVALUATION TYPE

Independent Performance Evaluation

ID NUMBER

DDI-MCC-HND-IE-AG-2010-v1

Overview

ABSTRACT

In this report, the economic rates of return have been reviewed and recalculated for the projects that were concluded or that registered a considerable level of progress as of July 2010.

For purposes of facilitating the methodological development and obtaining valid conclusions, the following was taken into consideration:

- For purposes of the analysis, the 15 projects have been classified in three types: i) Irrigation (10 projects); ii) Value Added-Microbusinesses (1); and iii) Research and technology (4), which includes the OIRSA-MOSCAMED project.

- Due to the different level of advancement of the projects being implemented, the re-calculation of the ERR for the irrigation projects is based on the three projects that had ended their first implementation phase or were very close to completing it by July 2010. This first phase represents the ending of the works to be executed with the project and the beneficiaries' incorporation. In the projects in which the total number of predicted beneficiaries had not yet been reached, the number of beneficiaries that had been actually reached as of the time of this analysis was taken into account, and future incorporations were assumed until attaining the expected goal by year 3 of the project's implementation, approximately.

- The value-added project type is represented by a single project, which is carried out by EAP-Zamorano and that was concluded in July 2010. Consequently, the evaluation is based on this single project.

- Regarding the research projects, since the progress for projects of this type as of July 2010 covered mainly the laboratories' set-up activities and the creation of the biological items and basic genetic material required in the project the ERRs were calculated maintaining the assumption and goals originally proposed by the project designers, adjusting only the start-up times for the beneficiaries' incorporation. These projects should be evaluated once they have registered further progress on meeting surface-area and number of incorporated producers or beneficiaries goals.

EVALUATION METHODOLOGY

Independent Ex-Post ERR

KEYWORDS

Honduras, Agriculture, Grants Facility, IRR, ERR, Performance evaluation

Producers and Sponsors

PRIMARY INVESTIGATOR(S)

Name	Affiliation
NORC	Independent Evaluator

FUNDING

Name	Abbreviation	Role
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Name	Abbreviation	Role
Millennium Challenge Corporation	MCC	

Metadata Production

METADATA PRODUCED BY

Name	Abbreviation	Affiliation	Role
Millennium Challenge Corporation	MCC		Review of Metadata

DATE OF METADATA PRODUCTION

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MCC Compact and Program

COMPACT OR THRESHOLD

Honduras Compact I

PROGRAM

This report represents an analysis and re-evaluation of the Internal Rates of Economic Return (IRR) of the projects financed through MCA-Honduras' Agricultural Public Goods Grants Facility (in Spanish, FDBPA). The FDBPA represents one of the four activities of the Rural Development Project in Honduras; its aim was to broaden the goals of MCA's Rural Development Project, which were to increase productivity and improve the competitiveness of small- and medium-sized farms. FDBPA's main goal was to finance projects for the development of a market-oriented commercial agriculture, particularly in the horticultural sector. As a result, these projects supported by FDBPA should have been public or semi-public goods. For general definition purposes, a public good consists of a non-exclusive good or service that is not used up in its consumption; that is, all who want to can enjoy the good, and that the use a person makes of that good does not exclude others' ability to consume the good or service, so that its provision by the private sector is unprofitable. In the case of semi-public goods, they do not have to strictly satisfy all the conditions of a public good, but they do provide some benefits that are non-exclusive and that cause the Economic Rate of Return (ERR) to be greater than the Internal Rate of Financial Return (IRFR). In addition, in this type of good, the private provision cost is greater than the private income to such an extent that the rate of financial return is less than the cost of capital. As a result, the private sector has no interest in investing in the production of this type of goods or services.

MCC SECTOR

Agriculture and Irrigation (Ag & Irr)

Sampling

No content available

Questionnaires

No content available

Data Collection

Data Collection Dates

Start	End	Cycle
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Data Processing

No content available

Data Appraisal

No content available